

Message Text

LIMITED OFFICIAL USE

PAGE 01 SINGAP 02430 050726Z

21

ACTION EB-07

INFO OCT-01 EA-06 ISO-00 SP-02 AID-05 NSC-05 CIEP-01

TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00 COME-00

FRB-03 INR-07 NSAE-00 USIA-06 XMB-02 OPIC-03 LAB-04

SIL-01 PA-01 PRS-01 H-02 TAR-01 /079 W

----- 055682

R 040545Z JUN 75

FM AMEMBASSY SINGAPORE

TO SECSTATE WASHDC 2755

AMCONSUL HONG KONG

LIMITED OFFICIAL USE SINGAPORE 2430

DEPT FOR EB/OT/GCP

ALSO PASS STR

E.O. 11652: N/A

TAGS: EGEN, FIN

SUBJECT: CERP: HONG KONG COMMON WEALTH PREFERRED TAX ON US SOURCE
VEHICLE

1. EMBASSY HAS RECEIVED REPRESENTATION FROM GENERAL MOTORS
(GM) REGIONAL MANAGER SINGAPORE TAKING ISSUE WITH PURPORTED
US EFFORTS TO GET HONG KONG GOVERNMENT TO REMOVE COMMONWEALTH
PREFERENCE TAX ON US SOURCE VEHICLES.. GM GIVEN TO UNDERSTAND
THAT US WILL INCLUDE THE COLONY IN GSP PROVIDED THE REVERSE
PREFERENCES
LCURRENTLY ACCORDED BY HONG KONG TO MOTOR VEHICLES,
LIQUOR AND TOBACCO FROM COMMONWEALTH COUNTRIES ARE REMOVED BY
1976.

2. GM SAYS IT HAS LEARNED FROM RELIABLE SOURCE THAT, TO COMPEN-
SATE FOR LOSS OF REVENUE, HONG KONG WILL INCREASE ITS FIRST RE-
GISTRATION TAX ON VEHICLES BY 15 PERCENT. CONSEQUENTLY, ACCOR-
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 SINGAP 02430 050726Z

DING TO GM, US INSISTENCE THAT HONG KONG REMOVE COMMONWEALTH

PREFERENCE ON CAR IMPORTS WILL HAVE NET EFFECT, IRONICALLY, WHICH IS DETRIMENTAL TO US CAR MANUFACTURERES WHO ARE PRESENTLY SELLING BULK OF THEIR CARS INTO HONG KONG FROM THEIR PLANTS IN AUSTRALIA (HOLDEN) AND UK (VAUXHALL/BEDFORD).

3. EXPECTED LOSS OF SALES WILL NOT BE COMPENSATED FOR, ACCORDING TO GM, BY INCREASE IN US SALES VOLUME. US VEHICLES ARE NOT PRODUCED IN RIGHT HAND DRIVE AND CONVERSION IS EXPENSIVE.

4. ACTION REQUESTED: WOULD APPRECIATE ANY INFORMATION ADDRESSES COULD PROVIDE THIS POST ON CURRENT STATE OF GSP DISCUSSIONS WITH HONG KONG GOVERNMENT.

5. FOR DEPARTMENT: EMBASSY WOULD WELCOME DEPARTMENT SUGGESTIONS AND GUIDANCE IN FORMULATING POST REPLY TO GM.
CRONK

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GENERALIZED PREFERENCES (TARIFFS), TAXES, COMMONWEALTH
Control Number: n/a
Copy: SINGLE
Draft Date: 04 JUN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greeneet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975SINGAP02430
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750196-0621
From: SINGAPORE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750681/aaaacwfo.tel
Line Count: 77
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 15 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <15 JUL 2003 by KelleyW0>; APPROVED <14 NOV 2003 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CERP: HONG KONG COMMON WEALTH PREFERRED TAX ON US SOURCE VEHICLE
TAGS: EGEN, EFIN, ECRP, HK
To: STATE HONG KONG
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006